



CALPEEK

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RECALL MADNESS: ELECTION PREVIEW.

Editor's note: Although it is never safe to bet against Gray Davis, as of deadline time, it seemed likely he will be recalled and Arnold Schwarzenegger will replace him as Calif.'s next governor. But last minute disclosures might change the course of history. Here's our analysis & commentary...

◆ **Brief Overview** – Gov. Gray Davis(D) has struggled from day one to beat back this Oct. 7th recall. Demo Lt. Gov. Cruz Bustamante's campaign started strong, but then nose dived. And although conservative State Sen. Tom McClintock claims to be the guy with *big mo* (momentum), it's really Arnold Schwarzenegger's campaign which has taken off in recent days. But few know what impact an Oct. 2nd front page L.A. Times story about Arnold and allegations of inappropriate sexual conduct will do. Arnold's team denies wrongdoing. The story will cause hardline conservatives to go nuts. But will they stay home???

◆ **Voter Turnout** – Political pollsters, GOP and Demo, are all over the lot when it comes to turnout. One GOP pollster is predicting a huge turnout – at least 70%. Most political pollsters think the turnout will be *well over the* 50.7% of last November. One pollster Calpeek interviewed this past week thinks the turnout will be 55% to 60%. Most agree with that assessment. Calpeek's guess: 58%...

◆ **Polling: Recall vs. NO Recall** – Few insiders believed the new CNN/USA Today poll by Gallup. It showed the YES on recall at 63% vs. 35% NO. Private Demo polling showed numbers like 53/43 and 52/43. A GOP source told Calpeek that a Schwarzenegger poll showed the recall at 53/35. A poll taken for the CA Chamber by Baselice & Associates (Sept. 24-25, 804 likely voters) had YES on recall at 53% vs. 41% NO on recall...

... The biggest problem facing Davis continues to be 25% of Demo base voters favoring the recall. That figures has remained constant for 4-6 weeks. The other big bloc of voters who are causing problems for Davis are Latinos. They are split 50/47 in the new L.A. Times poll. Some say those Latinos who favor the recall just want to replace

Davis with Bustamante. Perhaps...

... The new L.A. Times poll puts the recall at 56% vs. 42% retain, with 2% undecided. This survey came out of the field on Sept. 29th, with 815 likely voters. This survey is important because a month earlier, the L.A. Times showed the recall at 50% vs. 47% retain. Question: if that September L.A. Times poll was accurate, what caused the momentum against the recall to suddenly stop? Just a guess, but the big debate might have had some influence. Schwarzenegger looked credible. Others think there was a backlash to the attempt to block the recall by the 9th U.S. Court of Appeals (effort by the ACLU)...

◆ **Issues That Drive the Recall** – There are about 3-4 key issues which are driving the recall (and causing Gov. Davis lots of problems). The budget/fiscal crisis in Calif.; a broken workers comp system; the unpopular VLF or car tax; and SB 60 – drivers licenses for non-citizens...

... The Demo response that the recall is nothing more than a GOP power grab has merit with insiders, but not with voters. And the power grab wouldn't be possible if Davis was a popular figure, but he's not. And the fact that the recall will cost taxpayers \$65 million hasn't seemed to outrage voters at all...

◆ **Polling: The Candidates** – Some private polling continued to show Demo Lt. Gov. Cruz Bustamante holding onto a slight lead over Schwarzenegger, but the newest L.A. Times survey showed the recall this way:

Schwarzenegger(R)	40%
Bustamante(D)	32%
McClintock(R)	15%
Camejo(G)	3%
Huffington(I)	-
Someone else	1%
Wouldn't vote	5%
Don't know	3%
Haven't heard enough	1%

... In the private polling, State Sen. Tom McClintock(R)

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does much better. In a private Demo poll (finished on 9/29), Bustamante was at 29%, Schwarzenegger 26% and McC at 22%. If the L.A. Times polling is accurate, then McC won't be a spoiler at all. The poll was taken after Arianna Huffington dropped out (9/30) and threw her support against the recall...

◆ **Media Coverage Drives the Recall** – Make no mistake, without Schwarzenegger the massive news media coverage wouldn't be there. Arnold's celebrity status has put the recall on the front pages of the U.S. newspapers and virtually every network and cable news outlet is covering the Calif. recall non-stop. Will it be back to Kobe and the Peterson murder after the recall? Probably. One thing the recall has done: it has forced local tv news to finally cover politics...

◆ **Schwarzenegger's Campaign** – Nearly perfect thus far. On the stump and in the debate Arnold was light on specifics, but he has a vision and he continues to show leadership. And of course it doesn't hurt that he's raised and spent a ton of money on tv ads. The far right is still trying to stop Schwarzenegger, but it remains to be seen if they can come up with something substantial which will grab the attention of the news media and voters...

◆ **Bustamante's Blunder** – There's no doubt that the LG would be doing much better had he not taken \$3-4 million in direct contributions from Indian gaming tribes. Some Demos are voting for Bustamante just because they don't want a GOP takeover in the governor's office. One Demo told *Calpeek*, "I'm voting for Cruz so I won't have to lie about it later." Bustamante's lackluster campaigning has disappointed many Demos and some think his political career went from *bright to dead in the water* because of the way he's run in this recall campaign. The NO on Recall/Yes on Bustamante strategy didn't work. Others fault Davis for not endorsing this strategy. "It was a slap in the face to other Demos and it showed Gray is not a team player..."

◆ **McC's Still Hanging On** – McClintock may not win, but he's proving to be an able campaigner and fundraiser. He's really enjoying the spotlight and he doesn't seem to care what the GOP County Chairs or the CRP Executive Committee does (they endorsed Arnold). By the end of the recall, McC will have spent \$4 million. He is raising about \$40,000 per day on the internet in small contributions. The big question facing McC is whether his refusal to drop out will damage him in the future? Among GOP voters, McC is drawing 27% vs. 66% for Schwarzenegger. Stay tuned...

RECALL MADNESS: INDIAN GAMING BECOMES KEY ISSUE AS TRIBES FLEX THEIR POLITICAL MUSCLES.

Editor's note: There are a number of Indian tribes who operate Class III/Las Vegas-styled casinos in Calif. And during the past 2-3 weeks, several gaming tribes have made big contributions to Lt. Gov. Cruz Bustamante(D) and State Sen. Tom McClintock(R). GOper Arnold Schwarzenegger blasted Bustamante, McC and the tribes in one tv spot – saying he wants to have the tribes "pay their fair share." Here is our analysis & commentary...

...The focus of the recall was originally about Calif.'s fiscal crisis, but all at once Indian gaming has popped up as a key issue. It's all because of big contributions from the gaming tribes to Bustamante & McC. McC isn't catching as much heat as Cruz, because the LG took about \$3 million directly from a tribe and a judge has declared that contribution to be in violation of Prop. 34. Many think this brouhaha has caused Bustamante's campaign to nose dive. Huge negatives, according to one Demo pollster. Tribal money going to McC is mostly in the form of IEs (independent expenditures) and that's legal. But Schwarzenegger's campaign (loaded with ex-Pete Wilson operatives) went on the attack in a tv ad – using the tribal contributions as an example of business as usual in Sacramento. 48-hours later...

...The Pechanga tribe sent a :30-sec. tv ad shot aimed at Arnold featuring tribal chair Mark Macarro, who said in part, "Mr. Schwarzenegger has chosen to condemn our participation for his own political ends. We ask you to reject his untruthful attack..." This ad ran only a few days and it didn't take sides in the recall. But there are now two other ads featuring Macarro, backing Bustamante & McC. So it's now an undeclared war between the two sides. Now for a little background...

...Until the mid-1970s, Calif.'s tribes were impoverished. But then they discovered bingo. In 1987, the U.S. Supreme Court opened the door for other types of gaming and told the States to keep hands off. In 1988 Congress passed and Pres. Ronald Reagan signed the IGRA (Indian Gaming Regulation Act). After IGRA, that's when some tribes began full Las Vegas styled gaming – but without compacts (agreements between the States and the tribes). In Calif., then Gov. Wilson refused to negotiate compacts and the tribes went to the ballot box with Prop. 5 (later with Prop. 1-A). Las Vegas and Wilson opposed Prop. 5, but it won anyway. Wilson left office in 1999 and Gov. Gray Davis(D) signed compacts with the tribes. IGRA ban the tribes from paying State taxes (they do pay U.S. taxes), but allows Calif. to get a mitigation fee (some call it revenue sharing)...

...Some Calif. tribes believe Wilson and NV gaming interests want to hurt Calif. tribal gaming and are trying to control Schwarzenegger. The tribes also claim Schwarzenegger wants to allow slots at racetracks. As we noted last week, the tribes requested a meeting with Schwarzenegger, but he declined. Funny thing is Schwarzenegger, in an interview in the Contra Costa Times and more recently with the S.F. Chron, said he favored no caps and no limits on gaming, but wants the State to get a bigger cut of the gambling revenue (25% of gaming revenue). Stay tuned...

CAMPAIGN 2003: TREND IS DOWNWARD ON PROP. 54

Editor's note: Most sources say the polling trend is downward for the Racial Privacy Initiative – also known as the Classification by Race, Ethnicity, Color or National Origins(CRECNO). Here's our final update & analysis...

...As noted in last week's issue, the polling shows a downward trend for Prop. 54. The PPIC survey showed 38% YES vs. 44% NO, with 18% undecided. The new poll in the L.A. Times shows YES at 31% vs. 54% NO...

...And given the amount of tv, radio and direct mail being aimed at voters, most all sources agree that if Ward Connerly's initiative were to pass, it would be an upset. In addition to the regular NO on 54 tv and radio, Lt. Gov. Cruz Bustamante has thrown in \$3 million of his own (Indian gaming contributions). Thus far we've now seen two different NO on 54 ads featuring Bustamante. The newest one also features former Pres. Bill Clinton...

...The NO on 54 campaign also continues to release huge lists of names and organizations which have come out NO on this initiative. About 2 weeks ago the Coalition for an Informed Calif. released a list of law enforcement officials and groups opposed. These included Calif. AG Bill Lockyer; L.A. City Atty. Rocky Delgadillo; L.A. Police Chief Bill Bratton; L.A. Co. Sheriff Lee Baca; S.F. Co. Sheriff Mike Hennessey; Santa Clara Co. Sheriff Laurie Smith; the L.A. Co. Peace Officers Assn.; PORAC; and the Nat'l Organization of Black Law Enforcement Executives...

...The NO on 54 campaign also released a huge list (153 names) of MDs and health officials. One of the key attack points for NO on 54 is that by prohibiting classification and tracking of race, color or national origin, state or local health groups will be blindfolded trying to figure out who gets ill and what kind of diseases are responsible...

...FYI: In the battle for newspaper endorsements, the NO on 54 effort has won endorsements from the L.A. Times;

the San Diego Union-Tribune; the Daily Breeze; the San Francisco Chron; the San Jose Mercury-News; and the Sacto BEE. Stay tuned...

CAMPAIGN 2003: CONSTITUTIONAL AMENDMENT ON INFRASTRUCTURE SPENDING AN UNLIKELY WINNER

Editor's note: If the State of Calif. were in good financial shape, there's little doubt that Prop. 53 might have a shot at winning voter approval. But with the State still facing at least a \$8-10 billion budget shortfall next year, Prop. 53 is probably going down to defeat Oct. 7th. Here's our final update & analysis...

...Prop. 53 has a good ballot title: *Funds dedicated for State and local infrastructure*. Even the summary statement is positive: "Generally dedicates up to 3% of General Fund revenues annually to fund state and local infrastructure projects." Spending on infrastructure is down to 1-2%, from a high of 20% three decades ago. And there's little doubt that more money is needed to upgrade and build new highways, bridges and mass transit systems. Prop. 53 was supposed to be the solution, but the timing is just horrible. And in politics, *timing* is everything...

...And bad luck for Prop. 53 that it was shoved onto the same ballot as the Oct. 7th recall election. Sources think that had Prop. 53 been on the March 2004 ballot, it might have stood a better chance, although there would still be major opposition...

...Opposition to Prop. 53 includes such unions as the SEIU and the Calif. Teachers Assn.(CTA). They view this ballot measure as taking money away from state employees and schools. As such, Prop. 53 has again driven a wedge into the ranks of labor, with the powerful Building & Construction Trade unions in favor of 53 vs. public sector unions. The Calif. AFL-CIO, not wanted to split the ranks of labor wide open, took a *neutral stand* on Prop. 53. But in this particular round of fighting, Calpeek sources think the public sector unions will come out on top...

...The polling on Prop. 53 by the Public Policy Inst. of Calif.(PPIC) shows YES at only 21% vs. NO at 49%. Our sources say private polling shows the same basic trend, with the NO side at 45% vs. YES at only 25%...

...Has the recall hurt YES on 53 fundraising? Probably. YES on 53 has raised about \$370,000 – far short to wage any kind of effective voter education effort via television or radio. Thus YES on 53, as well as the under-funded NO on 53 team, are running free media efforts, aimed at getting free news coverage and editorial support. The key theme

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being used against this measure is that Prop. 53 is just another case of *ballot box budgeting* – which is partly to blame for Calif. being in the fiscal mess it's in...

...FYI: Recall candidates Arnold Schwarzenegger, State Sen. Tom McClintock and Lt. Gov. Cruz Bustamante have all endorsed Prop. 53. So has the Contra Costa Times, the L.A. Area Chamber of Commerce, Auto Club of So. Calif. and the Howard Jarvis Taxpayers Assn. On the NO side are the L.A. Times and the S.F. Chron. Stay tuned...

IT'S HERE – NEW CAMPAIGN DIRECTORY ON SALE

Calpeek's 2003-04 Directory of Campaign Consultants is now on sale to subscribers only. The 60-page Directory contains more than 300 listings of consultants, campaign managers, pollsters, fundraisers, election law attorneys, FPPC-FEC specialists and slates makers. The cost is a low \$30. Checks only, no credit cards and absolutely no invoicing. Send checks to Calpeek @ P.O. Box 1468, Beverly Hills, CA 90213. Be sure to include either a businesscard or a short note with the name of the person who is receive the Directory. We'll be sending the Directory via 1st class mail. Non-subscribers should contact Calpeek (310)659-0205 to inquire about a subscription...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **Who Won the Big Recall Debate** – According to one Demo pollster, the candidate who did best in the recent recall debate in Sacto was State Sen. Tom McClintock(R). McC. got a 38% mark vs. 23% for Arnold Schwarzenegger; 14% each for Arianna Huffington & Lt. Gov. Cruz Bustamante; and 11% for Green Party candidate Peter Camejo. In terms of tv viewers, about 2.4 million people watched statewide, according to an L.A. Times story (1.6 million in L.A. media market; 975,000 in the Bay area; 84,000 in San Diego; 433,000 in Sacto/No. Calif.)...

■ **Megan's Law Gets New Life** – By a 78-0 vote, the CA Assembly voted Sept. 29th to extend Megan's Law in Calif. to 2007. Lawmakers also approved another bill to put Megan's Law info about sexual predators on the internet. That provision must be approved next year...

■ **Polling Data on SB 60** – A new L.A. Times poll shows huge voter unhappiness with the approval and signing of SB 60 – the bill signed by Gov. Gray Davis(D) to give drivers licenses to non-citizens. The net approval is 31% vs. net disapproval at 63%. Strongly disapprove runs at 57%. And while a majority of Demos approve (54%), 41% disapprove...

■ **Gay Rights** – The L.A. Times also tested AB 205, the bill which gave additional rights (and responsibilities)

to same sex couples, but does not allow gay marriages. Support for this new law is running at 50% vs. 42% opposed, with 2% haven't heard enough and 6% don't know. Among GOPers, opposition runs at 58% vs. 37% approve...

■ **New Registration Figures** – CA SOS Kevin Shelley has released new voter registration numbers. The numbers are as of 8/8/03 – 60 days prior to the Oct. 7th special recall election. Here's how it looks: Democrats 44.07%, GOP 35.28%, Decline to State 15.67%, AIP 1.92%, Green 1.07%, Libertarian .58%, Peace & Freedom .52%, and Natural Law .25%. In raw numbers it's Demo 6,607,886 vs. GOP at 5,290,669. Total number of registered voters is now 15,027,246 as of 8/8. Stay tuned...

CALPEEK'S NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● A sad note: former Siskiyou Co. Sheriff Charles Black, 56, died Sept. 23rd of unknown causes. He was the first African American to be elected sheriff in Calif. He was first elected in 1986, but lost reelection this past November. R.I.P...

● L.A.-based Cerrell Associates has been hired by the L.A. Police Protective League for public affairs work. The firm also has hired Flora Pappas as an Asst. AE...

● The Hispanic Nat'l Bar Assn. has named L.A. City Atty. Rocky Delgadillo as its attorney of the year...

● AG Bill Lockyer has appointed Robert Lytle as Director of the Division of Gambling Control. Lytle was the deputy director of the division...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

Oct. 7	Special Recall Election – Calif.
Oct. 14	S.F. Mayor's debate, 7-8 p.m. KPIX-TV and KCBS-AM radio.
Oct. 14-17	Council of State Govts.-West Western Legislative Academy, Colorado Springs. Info @ (916)553-4423.
Nov. 4	S.F. Muni Election + other cities
Nov. 6	Pat Brown Inst.'s 11 th annual CA Policy Issues Conf., Wilshire Grand Hotel, L.A.
Nov. 7	VICA's 15 th annual Business Forecast Conf., Warner Center Marriott Hotel.
Nov. 13	SCAG Regional Economic forecast conf., Newport Beach.
Nov. 15-18	IAPC – Prague, Czech Republic